

4-12-12-66

INSTALLMENT SALE AGREEMENT

THIS AGREEMENT made and entered into this 27th day of December, 1966 by and between CENTRAL ILLINOIS LIGHT COMPANY, an Illinois corporation, hereinafter called CILCO, and the CITY OF SPRINGFIELD, an Illinois municipal corporation, hereinafter called CITY,

W I T N E S S E T H:

WHEREAS the CITY presently owns, operates and maintains a municipal electric utility system, including generation and distribution in and around Springfield, Illinois; and

WHEREAS CILCO also presently owns, operates and maintains a public utility electric system for furnishing electricity to the public in and around Springfield, Illinois; and

WHEREAS the CITY desires to purchase certain of the electric ~~facilities~~ facilities of CILCO within and without the corporate limits of Springfield and CILCO desires to sell such facilities; and

WHEREAS the CITY desires to have a strong interconnection with CILCO for the supply and interchange of electricity; and

WHEREAS CILCO and the CITY desire to eliminate duplication of electric facilities and desire to establish territorial boundaries and areas in which each respectively will furnish all electric service; and

WHEREAS the CITY intends to purchase such electric facilities from CILCO under an installment agreement with prepayment provision in the event the CITY is able to issue electric revenue bonds; and

EXHIBIT

tabler

WHEREAS the revenues from the electric facilities to be purchased by the CITY will approximate Three Million Dollars (\$3,000,000) annually,

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

Section 1. Agreement to Purchase and Sell.

1.01. The CITY agrees to purchase for the sum of ELEVEN MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$11,800,000), upon the terms and conditions herein set forth, the property, equipment and facilities of CILCO as herein specified and CILCO agrees to sell such property, equipment and facilities upon such terms and conditions.

1.02. The payment by the CITY of said principal sum of ELEVEN MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$11,800,000) and the annual rates of interest upon the balance remaining from time to time shall be in installments as follows:

<u>Date of Principal Payment</u>		<u>Principal Amount</u>	<u>Annual Rate of Interest for Ensuing Year</u>
March	1, 1967	\$3,000,000	4.5%
March	1, 1968	-0-	4.5%
March	1, 1969	300,000	5%
March	1, 1970	500,000	5%
March	1, 1971	700,000	5.5%
March	1, 1972	900,000	5.5%
March	1, 1973	1,200,000	5.5%
March	1, 1974	1,200,000	6%
March	1, 1975	1,200,000	6%
March	1, 1976	1,200,000	6%
December	15, 1976	1,600,000	

The interest at the above stated per annum rates shall be payable semi-annually on the first day of March and September.

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1.03. All installments of principal, other than the initial installment due March 1, 1967, and all interest payments shall be made by check payable to CILCO, and delivered to CILCO at its office in Peoria, Illinois, or at such other place or places as may be specified in writing by CILCO or by written mutual consent, free of expense for collection and other charges.

1.04. The CITY shall have the right on March 1, 1968 and on any subsequent principal payment date, upon sixty (60) days' prior written notice to CILCO, to prepay the entire principal balance due, or any part thereof, with interest to that date, without penalty.

1.05. It is understood that the initial principal payment of Three Million Dollars (\$3,000,000) is dependent upon the CITY obtaining such funds by the issuance of revenue bonds in conformance with the Illinois Municipal Code, and if the CITY is unable to obtain such financing prior to March 1, 1967, then this agreement shall become null and void and the Interchange Agreement dated the same date as this Agreement shall likewise become null and void.

1.06. It is further understood that the installments of principal and interest hereunder are payable solely from the revenue derived and to be derived from the operation of the CITY's electric plant and system or from the sale of Electric Revenue Bonds.

1.07. The obligations of the CITY hereunder are not to be considered as an indebtedness within the meaning of any constitutional or statutory limitation.

Section 2. Description of the Property.

2.01. The property, equipment and facilities to be purchased by the CITY and sold by CILCO shall consist of all the property, real, personal or mixed, which comprises the electric distribution system in and around certain parts of Springfield, Illinois, owned by CILCO and which is specifically listed and shown on schedules attached hereto and made a part hereof, together with all additions and improvements to such specifically listed property between the date hereof and March 1, 1967, and which schedules shall be:

- (a) All real estate to be transferred to the CITY, including fee interests, easements or other interests therein as legally described in Schedule A and located as indicated in red on the plats marked Schedule B, both attached hereto and by reference made a part hereof, together with all buildings, structures and improvements thereon.
- (b) All poles, conductors, insulators, transformers, capacitors, circuit breakers, meters, services, regulators, wire, cable, conduits, station apparatus, control panels and other electrical equipment and facilities shown on Schedule C attached hereto and by reference made a part hereof.

- (c) All customers in the service area transferred to the CITY described in Section 5.01 (a), a list of which customers is furnished to the CITY contemporaneously with the execution of this agreement.
- (d) All rights, privileges, franchises, permits, grants and consents, including joint pole agreements with other utilities and the CITY, and all renewals, extensions, enlargements and modifications of the same, customer records, meter books, maps, surveys, title reports, charts, plans, and all things of value belonging to or comprising any part of the property, equipment and facilities listed or shown on Schedules A, B, and C used or useful in connection therewith.

2.02. It is understood and agreed that some of the property, equipment and facilities listed or shown in Schedules A, B and C is used in conjunction with providing steam heat service which CILCO is presently providing to certain premises within the City of Springfield which service is to be abandoned and discontinued on July 1, 1968. CILCO shall continue to operate and maintain and have the license to use and enter upon, until July 1, 1968, such of said property, equipment and facilities as is required for providing the steam heat service, after which time CILCO's license shall cease and terminate. CILCO agrees to assume and hold the CITY harmless of any and all obligations, contractual or otherwise, express or implied, arising from CILCO's operation and cessation of

operation of and the furnishing of steam heat, including taxes and insurance.

Section 3. Turnover and Operation
of the Property.

3.01. The property, equipment and facilities herein agreed to be purchased by the CITY and sold by CILCO (except for the license to CILCO to continue to provide steam heat service), shall be turned over to the CITY as of March 1, 1967 (subject to paragraph 3.04 hereof) and the CITY shall take title thereto and shall thereafter operate and maintain such property, equipment and facilities and be solely responsible for providing electric service to all of the customers transferred to the CITY, and CILCO shall be relieved of any and all obligations and responsibility for providing electric energy or service to such customers.

3.02. CILCO shall from and after the date hereof to March 1, 1967, continue to operate and maintain the property, equipment and facilities in good condition and repair and will not sell or encumber any of said property, equipment or facilities nor make any contracts or enter into any transactions affecting such property, equipment and facilities except contracts and transactions made in the usual and ordinary course of business.

3.03. If prior to March 1, 1967 any material part of said property, equipment and facilities shall be destroyed or substantially adversely affected from whatever cause, CILCO shall replace, repair or restore said property, equipment and facilities to its condition prior to such accident or catastrophe, or, at the option of the

CITY, the CITY may accept the property, equipment and facilities in its damaged condition, and CILCO shall assign to the CITY all proceeds of any insurance covering such damage or destruction.

3.04. CILCO shall continue its electric connections with the property, equipment and facilities turned over to the CITY on March 1, 1967, for a reasonable period thereafter, but no longer than March 1, 1969, so that an orderly transition can be effected by the CITY and the property, equipment, facilities and customers so transferred to the CITY can be attached to the distribution system of the CITY without any unnecessary disruption or curtailment of service to the customers receiving electric service.

3.05. CILCO shall make a final reading of all customers' meters with the March, 1967 billing cycle which begins on February 24, and shall include in the billing for such reading a notification that service from and after the date of such meter reading will be furnished and billed by the CITY.

3.06. Appropriate adjustments shall be made within ninety (90) days following March 1, 1967 in respect to the property, equipment, facilities and customers turned over and sold to the CITY as follows:

- (a) Meter readings and final billing by CILCO shall be prorated as of March 1, 1967, with meters read prior to March 1 prorated to March 1 based on the February bill, so that CILCO shall turn over to the CITY that portion of the final payment allocable to the period

subsequent to March 1, 1967, and CILCO shall retain that portion allocable to the period prior to March 1, 1967. The revenue shall be prorated according to the fraction obtained by dividing the number of days before or after March 1, 1967 on which the reading is made by the number of days in the billing period.

- (b) The amount of any credits to customers for miscellaneous advance deposits subject to refund and of any advance payments made by customers, or deposits (including accrued interest) made for the establishment of credit for electric service exclusively, shall be adjusted by paying over to the CITY the book amounts thereof as of March 1, 1967. The CITY shall execute proper instruments acknowledging receipt of such funds and assume the obligations of CILCO in respect thereto.

- (c) Any prepaid or accrued rentals or other prepaid or accrued amounts on the property, equipment and facilities sold and transferred to the CITY shall be prorated as of March 1, 1967.

The net amounts of such adjustments shall be settled in cash.

3.07. The CITY and CILCO have a joint interest in the final bills rendered to CILCO customers transferred to the CITY, and the CITY agrees, if requested by CILCO, to discontinue electric service

to such customers who are ninety (90) days delinquent on their final bills for electric service, provided that CILCO shall execute a satisfactory indemnity agreement to the CITY.

3.08. Any and all real estate and personal property taxes assessed against the property, equipment and facilities sold and transferred to the CITY and also all Federal, State and local taxes and assessments, including any utility tax, levied and assessed on the revenue from the customers transferred to the CITY, shall be prorated as of March 1, 1967. Each party shall promptly pay or make suitable provision for discharging their respective tax liabilities when bills are rendered.

3.09. CILCO shall deliver to or make available to the CITY such records, files, maps, plats and agreements relating to the property, equipment and facilities turned over to the CITY as may reasonably be required for the proper and efficient operation and maintenance of such property, equipment and facilities and to provide adequate, reliable and safe service to the electric customers transferred to the CITY.

3.10. The CITY agrees to indemnify CILCO and hold it harmless against any and all losses, claims, damages, expenses and liabilities arising out of or in connection with the operation and maintenance of said property, equipment and facilities from and after the CITY has taken over such operation and maintenance on March 1, 1967, and CILCO agrees to indemnify the CITY and hold it harmless against any and all losses, claims, damages, expenses or liabilities arising

out of or in connection with such property, equipment and facilities prior to the March 1, 1967 takeover by the CITY. Each agrees that if any such liability shall be asserted against it for a period for which it was not operating or maintaining such property, equipment or facility, it shall promptly notify the other and shall afford such other party a reasonable opportunity to defend the same, at its own expense.

Section 4. Employees.

4.01. The CITY to the fullest extent possible will employ the employees of CILCO whose work relates primarily to the property, equipment, facilities and customers sold and transferred to the CITY. However, CILCO will endeavor to provide for the continued employment by it of any employee who, for good cause, wishes to remain in CILCO's employ, but any such employee shall, if requested, work temporarily for the CITY.

4.02. The CITY and CILCO both desire, to the extent feasible, to effect the transfer of CILCO employees to CITY employment without a loss or with a minimum of loss of benefits to such employees.

4.03. The inability of the CITY and CILCO to accomplish all or any of the arrangements contemplated by this section shall not constitute a default under this agreement or give rise to any claim or demand on the part of either party or of any employee or other person.

Section 5. Service Territory.

5.01. In order to promote better efficiency and eliminate

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entire
by Amendment
in 1988.*

duplication of electric facilities, the CITY and CILCO agree to observe territorial integrity and establish boundaries, to be observed from and after March 1, 1967, for their electric service areas as follows:

- (a) The CITY Service Area shall be the entire corporate limits of the City and that area outside the corporate limits which is bounded on the East by State Route 29 extending to the South fork of the Sangamon River, thence Southward along said river to the intersection of Road 5S shown on the Sangamon County Rural Highway Numbering System Map adopted by the Sangamon County Highway Department May, 1964, thence Westward along Road 5S to the intersection of Road 4.25E, thence South on said Road 4.25E to the intersection of Road 6S, thence West on Road 6S to the approximate marginal land owned by the CITY bordering Lake Springfield; on the West the boundary outside the corporate limits shall be along a continuation of Road 1S as shown on said Sangamon County Highway Map, to the intersection of a Northerly extension of State Route 4, referred to as the proposed West Belt Line Road, thence South along said proposed West Belt Line Road to the head waters of Lake Springfield; and the Southern boundary shall be the approximate marginal land owned by the CITY bordering Lake Springfield; all as shown on the map marked Schedule D attached hereto and made a part hereof, which area includes the incorporated Villages of Leland Grove, Jerome and Southern View.
- (b) CILCO's Service Area shall be that territory outside of the

area described in subparagraph (a) above and as outlined on said Schedule D, which area includes the incorporated Village of Grandview.

5.02. Whenever any territory which is in CILCO's Service Area as defined in Section 5.01 (b) above is annexed to the CITY, CILCO shall relinquish such territory to the CITY, which shall then become part of the CITY's Service Area, and the CITY shall pay CILCO the fair cash market value of the property, equipment and facilities used to serve the customers in such territory, upon receiving from CILCO appropriate instruments of conveyance transferring good and merchantable title to such property, equipment and facilities to the CITY free and clear of all liens and encumbrances with warranty deed for any real estate in fee. CILCO shall allow for an orderly transition or takeover by the CITY in any annexed area so that electric service will not be unnecessarily disrupted or curtailed, and CILCO and the CITY shall make the necessary adjustments in billing customers, deposits and advances on the basis of an effective takeover date. The "fair cash market value" shall be determined by reproduction cost new less observed depreciation, plus the then current market value of any real estate included in the transfer. In the event CILCO and the CITY are unable to agree on value, such determination shall be made by an independent engineer with respect to facilities, and an independent realty appraiser with respect to real estate, selected by the parties.

5.03. Each party acknowledges the wholesale customer rights of the other and the CITY agrees not to serve any of CILCO's

customers purchasing electric energy for resale, and CILCO agrees not to serve any of the CITY's wholesale customers. Each party agrees not to serve at wholesale any customer, other than those presently being served, who is outside of the party's service area. Nothing herein contained, however, shall prevent either party from entering into interconnection agreements for the exchange of electric energy.

5.04. The CITY agrees that it will grant to CILCO a franchise or rights for the privilege of using the streets and public ways of the CITY as shown on Schedule E attached hereto, and made a part hereof for installing, operating and maintaining such electrical facilities within the existing corporate limits of the CITY which may be required or necessary to provide electric service in and to CILCO's Electric Service Area or to provide interconnections with the CITY or other electric system. Said ordinance shall also grant to CILCO the right and privilege of using additional streets and public ways of the CITY for such purpose within existing or future corporate limits of the CITY which may be required or necessary to provide electric service in and to CILCO's Electric Service Area, provided that the location of future facilities must first be submitted to and approved by the Department of Public Property of said CITY. The CITY will cooperate in joint pole agreements and cooperative undertakings.

Section 6. Final Closing.

6.01. The payment of the initial installment of principal and

the delivery of all final documents of conveyance, assignment and transfer shall be consummated at the offices of City Water, Light and Power, Municipal Building, Springfield, Illinois, at the hour of 11:00 o'clock A. M., Central Standard Time, on March 1, 1967, or on such other business day or place as the CITY and CILCO may agree upon, but in no event later than March 1, 1968 provided that the complaint of the CITY before the Federal Power Commission in Docket E-7250 has been withdrawn and any other required regulatory action completed, which date shall be the "Closing Date."

6.02. In the event that the Closing Date shall be changed from March 1, 1967 to a new date, then such new date shall be substituted wherever in this Installment Sale Agreement the date of March 1, 1967 appears.

Section 7. Representations and Warranties.

7.01. CILCO represents, warrants, covenants and agrees with the CITY:

- (a) That it is and on the Closing Date will be a corporation duly organized and existing and in good standing under the laws of the State of Illinois.
- (b) That it has taken all necessary corporate and legal action to authorize the execution and delivery of this Installment Sale Agreement and will take prior to the Closing Date all further necessary corporate and legal action, if any, to carry out the performance on its part of this agreement, so that the performance thereof by it will not be in contravention of its Articles of Incorporation or By-laws or any contract or agreement to which it is a party or subject.

- (c) That it has good and merchantable title to all of the property, equipment and facilities agreed herein to be sold and transferred to the CITY and will not sell or encumber any of such property, equipment and facilities or make any contracts or enter into any transactions affecting such property, equipment and facilities contrary to the terms, provisions and conditions of this agreement.

7.02. CITY represents, warrants, covenants and agrees with CILCO:

- (a) That it has and on the Closing Date will have taken all necessary legal action required by a municipal corporation of Illinois authorizing the execution, delivery and performance on its part of this Installment Sale Agreement.
- (b) That, except with respect to Four Million Dollars (\$4,000,000) principal amount of Electric Revenue Bonds, Series of 1967, to be issued in accordance with an ordinance substantially in the form attached hereto as Schedule F, and a pledge for the CITY street lighting program in the maximum amount of Fifty Thousand Dollars (\$50,000) annually pursuant to Resolution No. 192-9-66 passed by the City Council on September 13, 1966, it will not issue

any electric revenue bonds subsequent to the date hereof, nor sell, lease, loan, mortgage or in any manner dispose of its electric plant and distribution system, including specifically, but not limiting the generality of the foregoing, all real, personal and intangible property now owned or hereafter acquired by the CITY and used and useful in the operation and maintenance of the plant and system, together with any and all extensions and improvements which may be acquired by the CITY by purchase, lease or otherwise, nor pledge the revenue therefrom for any capital obligation arising after the date hereof, or call for redemption any outstanding bonds prior to maturity until all of the installments of principal and interest hereunder have been paid or unless and until provision shall have been made for the payment of all such installments and interest.

- (c) That it will cause to be created a separate special sub-account to be known as the "System Improvements and Extensions Account" out of the "Surplus Account" which is created and maintained in accordance with the provisions of the several bond ordinances in effect with respect to outstanding Electric Revenue Bonds of the CITY. On March 1, 1967 and the first business day of each month thereafter until all installments of principal and interest due hereunder shall have been paid, the CITY will credit to such sub-account from the amounts credited to the Surplus Account, an amount equal to the sum of (i) one-sixth of the interest due and payable on the next succeeding interest payment date and (ii) one-twelfth of any principal installment becoming due within the succeeding twelve months. All amounts credited to said sub-account shall be used only for

the purpose of paying principal and interest due under this agreement. The moneys in such account may be invested from time to time in direct obligations of the United States of America and be sold from time to time as funds may be needed for the purpose of paying the principal installments due under this Installment Sale Agreement.

- (d) That it will carry insurance on the property, equipment and facilities purchased from CILCO to the same extent and in the same manner as is required under the Electric Bond Ordinance of December 21, 1965.
- (e) That so long as any principal installment remains outstanding, it will maintain proper books and records separate and apart from all other records and accounts, showing correct and complete entries of all transactions of the CITY's entire electric system, and that CILCO or any duly authorized agent of CILCO shall have the right at any and all reasonable times to inspect the records, accounts and audit relating thereto and to inspect the electric system and all the property comprising such system.
- (f) That it will furnish to CILCO a certified copy of the annual audit made by the independent certified public accountants required under the Electric

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Bond Ordinance of December 21, 1965, as soon as such audit has been made.

7.03. The CITY further agrees that while any of the principal and interest installments remain outstanding or unpaid, the rates charged for electric service shall be sufficient at all times to pay all the costs of operation and maintenance; to pay the principal and interest on all outstanding bonds, including the \$4,000,000 principal amount of Series of 1967 Bonds, and covenants under related bond ordinances which by their terms are payable from the revenue of the electric plant and system; and to pay the principal and interest installments and carry out the covenants of this Installment Sale Agreement.

7.04. CILCO shall have the right, either in law or equity, by suit, action, mandamus or other proceedings, to enforce or compel performance of all duties required by this Installment Sale Agreement, including the making or collecting of sufficient rates for service and segregating the revenues of such system and the application thereof to the respective accounts created by the Electric Bond Ordinances of the CITY and this Installment Sale Agreement.

7.05. The parties agree that CILCO need not comply with the provisions of Article 6, Bulk Transfers, of the Uniform Commercial Code (Chapter 26 Ill.Rev.St. 1965) and CILCO will hold the CITY harmless for any and all claims or liens sought to be asserted against the property, equipment and facilities transferred to the CITY by reason of any failure to comply with such statutory provisions

Section 8. Closing Documents.

8.01. On the Closing Date CILCO shall deliver to the CITY the following instruments and documents:

- (a) A release from Bankers Trust Company, or its successor, Trustee under CILCO's Indenture of Mortgage and Deed of Trust dated April 1, 1933 as amended and supplemented, releasing all of the property, equipment and facilities specified herein to be transferred to the CITY from the lien of such Indenture.
- (b) Warranty deeds covering real estate transferred to the CITY in fee, and bills of sale, instruments of conveyance, assignment and transfer satisfactory in form to counsel for CITY effective to transfer all of the right, title and interest of CILCO in and to all of the other property, equipment and facilities to be transferred to the CITY hereunder, including franchise rights in the incorporated Village of Southern View.
- (c) Certificate dated within ten (10) days of the Closing Date, of the Secretary of State of Illinois as to the good standing of CILCO as a domestic corporation.
- (d) Certificate of the Secretary of CILCO dated as of the Closing Date with respect to the incumbency of the officers signing the instruments of conveyance.

assignment and transfer and other instruments.

- (e) A copy, certified by the Secretary of CILCO, of the resolution of the Board of Directors authorizing the execution and performance of this Installment Sale Agreement and authorizing the execution by the persons executing the deeds, bills of sale and instruments of conveyance, assignment and transfer.
- (f) Release and indemnity on behalf of CILCO and all of its predecessor companies of any and all franchise rights to operate and conduct an electric distribution business within the corporate limits of the CITY, except as may be specifically granted to CILCO subsequent to January 1, 1967.
- (g) An opinion by counsel for CILCO that as of the Closing Date CILCO is a validly organized and existing corporation in good standing under the laws of the State of Illinois; that the Installment Sale Agreement has been duly executed and delivered by CILCO and constitutes a valid and enforceable obligation; and that the instruments of conveyance, assignment, release and transfer are valid and effective to transfer to the CITY merchantable title to all of the property, equipment and facilities specified herein to be transferred free and

clear of the lien of the Indenture referred to in subparagraph (a) above.

- (h) Such other documents and showings as shall reasonably be required and which shall be prepared and submitted to counsel for CILCO by bond counsel for the CITY.

8.02. On the Closing Date the CITY shall deliver to CILCO the following instruments and documents:

- (a) A copy duly certified by the City Clerk of an ordinance granting to CILCO the franchise provided for in Section 5.04 hereof.
- (b) To the extent not already delivered to CILCO, instruments effective to provide for the assumption by the CITY of any of the obligations of CILCO for customer deposits and advances and other obligations of CILCO, including joint pole agreements and any railroad licenses, highway permits, and franchise ordinances assigned in connection with the transferred property, equipment and facilities which the CITY is assuming.
- (c) An opinion of counsel for the CITY to the effect that the Installment Sale Agreement has been duly approved by the governing body of the City of Springfield and constitutes its valid and enforceable obligation, and that all necessary ordinances

or resolutions to the execution and delivery of this Installment Sale Agreement and the performance of its terms and provisions by the CITY have been duly passed and are valid and enforceable.

8.03. The representations, covenants and warranties made in or pursuant to this Installment Sale Agreement shall be correct as of the Closing Date with the same force and effect as if such representations, covenants and warranties had been made at the Closing Date, except to the extent that such representations, covenants and warranties shall be incorrect at the Closing Date because of transactions contemplated herein.

Section 9. Additional Documents and Papers.

9.01. Promptly after the execution of this agreement CILCO shall deliver to the CITY such evidence as it may have of its title to the real estate and interest therein listed in Schedule A, and will bring down to a recent date any abstracts of title or title guaranty policies which it may have to such real estate and interest therein showing merchantable title in CILCO free and clear of all liens and encumbrances except CILCO's Indenture of Mortgage, the release of which is to be delivered to the CITY on the Closing Date.

9.02. If at any time after the Closing Date it shall appear that additional bills of sale, deeds, assignments or other papers are reasonably necessary to complete or perfect the transfer of any of the property, equipment and facilities herein to be transferred, CILCO agrees to execute such additional instruments and documents upon the written request of the CITY.

9.03. CILCO shall deliver to the CITY promptly after the

closing all records, files, maps, plats, agreements, contracts, franchises, permits and evidences of title relating to the property, equipment and facilities transferred which have not previously been delivered to the CITY.

Section 10. Modification of Agreement and Notices.

10.01. This Installment Sale Agreement, together with the Schedules hereto attached, constitute the entire agreement between the CITY and CILCO. No variation or modification and no waiver of any of its provisions or conditions shall be valid unless in writing signed by the parties hereto.

10.02. Any extension or notice to be given in connection with this Installment Sale Agreement shall be deemed given when mailed by registered mail, postage prepaid, to the City of Springfield, Municipal Building, Springfield, Illinois, attention Commissioner of Public Property, and to Central Illinois Light Company, 300 Liberty Street, Peoria, Illinois 61602, attention Operating Vice President.

Section 11. Miscellaneous Provisions.

11.01. CILCO and the CITY represent that they have incurred no liability for brokerage commissions or finder's fee in connection with the transactions contemplated by this Installment Sale Agreement.

11.02. This Installment Sale Agreement shall be determined to be an Illinois contract and shall be governed in its interpretations and constructions in accordance with the laws of the State of Illinois.

11.03. If any term or provision of this Installment Sale Agreement or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable as finally determined by a Court of competent jurisdiction, the remainder of this Installment Sale Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Installment Sale Agreement shall be valid and be enforced to the fullest extent permitted by law.

11.04. The section headings herein are for convenience only and shall not affect the interpretation hereof.

Section 12. Assignment and Counterparts.

12.01. This Installment Sale Agreement shall inure to the benefit of and be binding upon the successors and assigns of CILCO and upon the successors of the CITY.

12.02. This Installment Sale Agreement may be simultaneously executed in any number of counterparts and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF the CITY OF SPRINGFIELD and CENTRAL ILLINOIS LIGHT COMPANY have caused this Installment Sale Agreement to be executed by their duly constituted officials and officers and caused their respective seals to be hereto affixed and attested,

all as of the day and year first above written.

CITY OF SPRINGFIELD

By *John H. Hunter*
Mayor

Approved By *John H. Hunter*
Commissioner of Public Property

ATTEST:

O. Mark Haguen, City Clerk
Wm. P. McLaughlin, Deputy City Clerk

*O. K.
J. J. F.*

CENTRAL ILLINOIS LIGHT COMPANY

By *Wm. H. H. H. H.*
President

ATTEST:

R. L. Ashley
Secretary

APPENDIX "A"

To

INTERCHANGE AGREEMENT

Between

CENTRAL ILLINOIS LIGHT COMPANY and the CITY OF SPRINGFIELD, ILLINOIS

<u>Points of Delivery</u>	<u>Meter Location</u>	<u>Metering Voltage</u>	<u>Meter Owned By</u>
Point of connection of the City 34.5 KV line to CIL 34.5 KV Bus at CIL East Springfield Substation	East Springfield Substation	34.5 KV	CIL
Point of connection of the City 138 KV line to CIL 138 KV Bus at CIL East Springfield Substation	East Springfield Substation	138 KV	CIL

PROPOSED

APPENDIX "B"

To

INTERCHANGE AGREEMENT

Between

CENTRAL ILLINOIS LIGHT COMPANY and the CITY OF SPRINGFIELD, ILLINOIS

FACILITIES CHARGES to be paid by the City to the Light Company for Light Company's 138 KV interconnection investment.

CONTRACT CAPACITY
All Capacity

16% PER ANNUM OF INVESTMENT
Cost to be paid in equal monthly payments
\$ _____ per month.

LIGHT COMPANY SALES TO CITY
\$1.50 per KW month.

CITY SALES TO LIGHT COMPANY
Such price as may be agreed upon by the Operating Committee at the time of requisition.

CONTRACT ENERGY

To cover only the approximate 55 MW for the years 1967 and 1968

LIGHT COMPANY SALES TO CITY
For the approximate 55 MW to be sold to City during 1967 and 1968:

Light Company's previous month's average generation and purchase energy costs plus 6% for losses plus 10%; but not to exceed in total \$0.005 per KWH.

CONTRACT ENERGY

All other energy purchased on a contract basis

LIGHT COMPANY SALES TO CITY

Light Company's incremental cost plus 6% for losses plus 10%; but not to exceed in total \$0.005 per KWH.

CITY SALES TO LIGHT COMPANY

City's incremental cost plus 10%; but not to exceed in total \$0.005 per KWH.

EMERGENCY ENERGY

One and one-quarter cents (\$0.0125) per KWH.

ECONOMY ENERGY

Incremental and decremental costs per KWH of supplier and user. Transactions may be made on \$0.0006 or more difference in costs.

MAINTENANCE CAPACITY

Capacity charge is to be \$0.40 per KW week; a week shall start on Sunday and end on Saturday.

MAINTENANCE ENERGY

One-half cent (\$0.005) per KWH.

REDUCTION OF FACILITIES CHARGE

The following % per annum facilities charge will apply based on City's purchase of Capacity and Energy from Light Company.

Annual Purchase MW	Facilities Charge % for Monthly Load Factor under 30% at Listed MW Purchase	Facilities Charge % for Monthly Load Factor of 30% at Listed MW Purchase	Facilities Charge % for Monthly Load Factor of 60% at Listed MW Purchase
0	16	16	16
5	15	14	13
10	14	12	10
15	13	10	7
20	12	8	4
25	11	6	0
30	10	4	
35	9	2	
40	8	0	
45	7		
50	6		
55	5		
60	4		
65	3		
70	2		
75	1		
80	0		

No additional purchase required; 25 MW @ 60 LF would cancel Facilities Charge.

No additional purchase required; 40 MW @ 30 LF would cancel Facilities Charge.

Reduction of the 16% per annum Facilities Charge will be made in 1% steps only.

Adjustments in the facilities charge shall be made on a monthly basis according to the above schedule. If at the end of a contract year, June 1 to May 31, the annual load factor has been established of over thirty per cent (30%) or sixty per cent (60%), then an annual adjustment shall be made according to the above schedule.